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# **Electronic Filing of Form 1065, U.S. Partnership Return of Income for Tax Year 1999 (Publication 1525 Supplement)**

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Internal Revenue Service  
Electronic Tax Administration



**IRS**

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Department of the Treasury  
**Internal Revenue Service**

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## **The IRS Mission**

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**Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities, and by applying the tax law with integrity and fairness to all.**

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## **Introduction**

### **Publication 3416 (Tax Year 1999)**

### **Filing Season Supplement for Electronic Return Trading Partners**

This document is a supplement to Publication 1525 and is intended for Trading Partners already in the IRS *e-file* program. It contains a list of forms and schedules that will be accepted electronically for Tax Year 1999, the current version of Form 8453-P, and Form Field Exhibits that are helpful in resolving error conditions identified in error reject acknowledgement files. Form Field Exhibits are also helpful in accurately locating specific fields on Form 1065 Partnership tax returns, Schedules K-1 as well as all associated forms and schedules that are accepted electronically. This publication is automatically mailed to Trading Partners that receive Publication 1525.

## **Accepted Forms and Schedules for Electronically Filed Form 1065 for Tax Year 1999, Processing Year 2000**

- Form 1065** U.S. Partnership Return of Income
- Schedule A (Form 5713)** International Boycott Factor (Section 999(c)(1))
- Schedule A (Form 8609)** Annual Statement
- Schedule A (Form 8847)** Receipt for Contribution to a Selected Community Development Corporation (CDC)
- Schedule B (Form 5713)** Specifically Attributable Taxes and Income (Section 999(c)(2))
- Schedule C (Form 5713)** Tax Effect of the International Boycott Provisions
- Schedule D (Form 1065)** Capital Gains and Losses
- Schedule F (Form 1040)** Profit or Loss From Farming
- Schedule J (Form 5471)** Accumulated Earnings and Profits (E&P) of Controlled Foreign Corporation
- Schedule K-1 (Form 1065)** Partner's Share of Income, Credits, Deductions, etc.
- Schedule M (Form 5471)** Transactions Between Controlled Foreign Corporation and Shareholders or Other Related Persons
- Schedule N (Form 5471)** Return of Officers, Directors, and 10% or More Shareholders of a Foreign Personal Holding Company
- Schedule O (Form 5471)** Organization or Reorganization of Foreign Corporation, and Acquisitions and Dispositions of Its Stock
- Form 926** Return by a U.S Transfer of Property To a Foreign Corporation
- Form 982** Reduction of Tax Attributes Due to Discharge of Indebtedness and Section 1082 Basis Adjustment
- Form 3468** Investment Credit
- Form 3520** Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts

## **Accepted Forms and Schedules for Electronically Filed Form 1065 for Tax Year 1999, Processing Year 2000 (continued)**

**Form 3520-A** Annual Information Return of Foreign Trust With a U.S. Owner

**Form 4562** Depreciation and Amortization

**Form 4684** Casualties and Theft

**Form 4797** Sale of Business Property

**Form 4835** Farm Rental Income and Expense

**Form 5471** Information Return of U.S. Persons with Respect to Certain Corporations

**Form 5713** International Boycott Report

**Form 5884** Work Opportunity Credit

**Form 6198** At Risk Limitations

**Form 6252** Installment Sale Income

**Form 6478** Credit for Alcohol Used as Fuel

**Form 6765** Credit for Increasing Research Activities

**Form 6781** Gains and Losses from Section 1256 Contracts and Straddles

**Form 8082** Notice of Inconsistent Treatment or Amended Return

**Form 8271** Investor Reporting of Tax Shelter

**Form 8275** Disclosure Statement

**Form 8275-R** Regulation Disclosure Statement

**Form 8283** Noncash Charitable Contributions

**Form 8308** Report of a Sale or Exchange of Certain Partnership Interests

**Form 8586** Low-Income Housing Credit

**Form 8594** Asset Acquisition Statement

## **Accepted Forms and Schedules for Electronically Filed Form 1065 for Tax Year 1999, Processing Year 2000 (continued)**

- Form 8609** Low-Income Housing Credit Allocation Certification
- Form 8611** Recapture of Low-Income Housing Credit
- Form 8621** Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund
- Form 8693** Low-Income Housing Credit Disposition Bond
- Form 8697** Interest Computation Under the Look-Back Method for Completed Long-Term Contracts
- Form 8820** Orphan Drug Credit
- Form 8824** Like Kind Exchange
- Form 8825** Real Estate Income and Expenses of a Partnership or an S Corporation
- Form 8826** Disable Access Credit
- Form 8830** Enhanced Oil Recovery Credit
- Form 8835** Renewable Electricity Production Credit
- Form 8845** Indian Employment Credit
- Form 8846** Credit for Employer Social Security and Medicare Taxes Paid on Certain Employee Tips
- Form 8847** Credit for Contributions to Selected Community Development Corporations
- Form 8861** Welfare-to-Work Credit
- Form 8866** Interest Computation Under the Look Back Method for Property Depreciated Under the Income Forecast Method

Form <b>1065</b> Department of the Treasury Internal Revenue Service	<b>U.S. Partnership Return of Income</b> For calendar year 1999, or tax year beginning , 1999, and ending , ▶ See separate instructions.	OMB No. 1545-0099 <b>1999</b>
A Principal business activity	Use the IRS label. Otherwise, please print or type. Name of partnership Number, street, and room or suite no. If a P.O. box, see page 12 of the instructions. City or town, state, and ZIP code	D Employer identification number
B Principal product or service		E Date business started
C Business code number		F Total assets (see page 12 of the instructions) \$

G Check applicable boxes: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Change in address (4) ☐ Amended return  
H Check accounting method: (1) ☐ Cash (2) ☐ Accrual (3) ☐ Other (specify) ▶  
I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶

**Caution:** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Income	1a Gross receipts or sales	1a				
	b Less returns and allowances	1b			1c	
	2 Cost of goods sold (Schedule A, line 8)				2	
	3 Gross profit. Subtract line 2 from line 1c				3	
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)				4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040))				5	
	6 Net gain (loss) from Form 4797, Part II, line 18				6	
	7 Other income (loss) (attach schedule)				7	
8 Total income (loss). Combine lines 3 through 7				8		
Deductions (see page 14 of the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)				9	
	10 Guaranteed payments to partners				10	
	11 Repairs and maintenance				11	
	12 Bad debts				12	
	13 Rent				13	
	14 Taxes and licenses				14	
	15 Interest				15	
	16a Depreciation (if required, attach Form 4562)	16a				
	b Less depreciation reported on Schedule A and elsewhere on return	16b			16c	
	17 Depletion (Do not deduct oil and gas depletion.)				17	
	18 Retirement plans, etc.				18	
	19 Employee benefit programs				19	
	20 Other deductions (attach schedule)				20	
21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20				21		
22 Ordinary income (loss) from trade or business activities. Subtract line 21 from line 8				22		

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.			
	Signature of general partner or limited liability company member		Date	
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed) and address	EIN	ZIP code	

**Schedule A** Cost of Goods Sold (see page 17 of the instructions)

1	Inventory at beginning of year . . . . .	1		
2	Purchases less cost of items withdrawn for personal use . . . . .	2		
3	Cost of labor . . . . .	3		
4	Additional section 263A costs (attach schedule) . . . . .	4		
5	Other costs (attach schedule) . . . . .	5		
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6		
7	Inventory at end of year . . . . .	7		
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8		

9a Check all methods used for valuing closing inventory:

(i) ☐ Cost as described in Regulations section 1.471-3

(ii) ☐ Lower of cost or market as described in Regulations section 1.471-4

(iii) ☐ Other (specify method used and attach explanation) ► .....

b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c). . . . ► ☐

c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970). . . ► ☐

d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? . . ☐ Yes ☐ No

e Was there any change in determining quantities, cost, or valuations between opening and closing inventory? ☐ Yes ☐ No

If "Yes," attach explanation.

**Schedule B** Other Information

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input type="checkbox"/> General partnership      b <input type="checkbox"/> Limited partnership      c <input type="checkbox"/> Limited liability company		
d <input type="checkbox"/> Limited liability partnership      e <input type="checkbox"/> Other ► .....		
2 Are any partners in this partnership also partnerships? . . . . .		
3 Is this partnership a partner in another partnership? . . . . .		
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see <b>Designation of Tax Matters Partner</b> below . . . . .		
5 Does this partnership meet <b>ALL THREE</b> of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000; <b>AND</b>		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1 . . . . .		
6 Does this partnership have any foreign partners? . . . . .		
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)? . . . . .		
8 Has this partnership filed, or is it required to file, <b>Form 8264</b> , Application for Registration of a Tax Shelter? . . .		
9 At any time during calendar year 1999, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 18 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ► .....		
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 18 of the instructions . . . . .		
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under <b>Elections Made By the Partnership</b> on page 7 of the instructions . . . . .		

**Designation of Tax Matters Partner** (see page 18 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ►	Identifying number of TMP ►
Address of designated TMP ►	



**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

(a) Distributive share items		(b) Total amount	
Income (Loss)	1 Ordinary income (loss) from trade or business activities (page 1, line 22) . . . . .	1	
	2 Net income (loss) from rental real estate activities (attach Form 8825) . . . . .	2	
	3a Gross income from other rental activities . . . . .	3a	
	b Expenses from other rental activities (attach schedule) . . . . .	3b	
	c Net income (loss) from other rental activities. Subtract line 3b from line 3a . . . . .	3c	
	4 Portfolio income (loss):		
	a Interest income . . . . .	4a	
	b Ordinary dividends . . . . .	4b	
	c Royalty income . . . . .	4c	
	d Net short-term capital gain (loss) (attach Schedule D (Form 1065)) . . . . .	4d	
	e Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
	(1) 28% rate gain (loss) ▶ . . . . . (2) Total for year . . . . . ▶	4e(2)	
	f Other portfolio income (loss) (attach schedule) . . . . .	4f	
5 Guaranteed payments to partners . . . . .	5		
6 Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797) . . . . .	6		
7 Other income (loss) (attach schedule) . . . . .	7		
Deductions	8 Charitable contributions (attach schedule) . . . . .	8	
	9 Section 179 expense deduction (attach Form 4562) . . . . .	9	
	10 Deductions related to portfolio income (itemize) . . . . .	10	
	11 Other deductions (attach schedule) . . . . .	11	
Credits	12a Low-income housing credit:		
	(1) From partnerships to which section 42(j)(5) applies for property placed in service before 1990 . . . . .	12a(1)	
	(2) Other than on line 12a(1) for property placed in service before 1990 . . . . .	12a(2)	
	(3) From partnerships to which section 42(j)(5) applies for property placed in service after 1989 . . . . .	12a(3)	
	(4) Other than on line 12a(3) for property placed in service after 1989 . . . . .	12a(4)	
	b Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468) . . . . .	12b	
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	12c	
d Credits related to other rental activities . . . . .	12d		
13 Other credits . . . . .	13		
Investment Interest	14a Interest expense on investment debts . . . . .	14a	
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f above . . . . .	14b(1)	
	(2) Investment expenses included on line 10 above . . . . .	14b(2)	
Self-Employment	15a Net earnings (loss) from self-employment . . . . .	15a	
	b Gross farming or fishing income . . . . .	15b	
	c Gross nonfarm income . . . . .	15c	
Adjustments and Tax Preference Items	16a Depreciation adjustment on property placed in service after 1986 . . . . .	16a	
	b Adjusted gain or loss . . . . .	16b	
	c Depletion (other than oil and gas) . . . . .	16c	
	d (1) Gross income from oil, gas, and geothermal properties . . . . .	16d(1)	
	(2) Deductions allocable to oil, gas, and geothermal properties . . . . .	16d(2)	
	e Other adjustments and tax preference items (attach schedule) . . . . .	16e	
Foreign Taxes	17a Type of income ▶ . . . . .		
	b Name of foreign country or U.S. possession ▶ . . . . .		
	c Total gross income from sources outside the United States (attach schedule) . . . . .	17c	
	d Total applicable deductions and losses (attach schedule) . . . . .	17d	
	e Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	17e	
	f Reduction in taxes available for credit (attach schedule) . . . . .	17f	
	g Other foreign tax information (attach schedule) . . . . .	17g	
Other	18 Section 59(e)(2) expenditures: a Type ▶ . . . . . b Amount ▶ . . . . .	18b	
	19 Tax-exempt interest income . . . . .	19	
	20 Other tax-exempt income . . . . .	20	
	21 Nondeductible expenses . . . . .	21	
	22 Distributions of money (cash and marketable securities) . . . . .	22	
	23 Distributions of property other than money . . . . .	23	
	24 Other items and amounts required to be reported separately to partners (attach schedule) . . . . .		

**Analysis of Net Income (Loss)**

<b>1</b> Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Schedule K, lines 8 through 11, 14a, 17e, and 18b . . . . .						<b>1</b>	
<b>2</b> Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
<b>a</b> General partners							
<b>b</b> Limited partners							

**Schedule L Balance Sheets per Books** (Not required if Question 5 on Schedule B is answered "Yes.")

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
<b>1</b> Cash . . . . .				
<b>2a</b> Trade notes and accounts receivable . . . . .				
<b>b</b> Less allowance for bad debts . . . . .				
<b>3</b> Inventories . . . . .				
<b>4</b> U.S. government obligations . . . . .				
<b>5</b> Tax-exempt securities . . . . .				
<b>6</b> Other current assets ( <i>attach schedule</i> ) . . . . .				
<b>7</b> Mortgage and real estate loans . . . . .				
<b>8</b> Other investments ( <i>attach schedule</i> ) . . . . .				
<b>9a</b> Buildings and other depreciable assets . . . . .				
<b>b</b> Less accumulated depreciation . . . . .				
<b>10a</b> Depletable assets . . . . .				
<b>b</b> Less accumulated depletion . . . . .				
<b>11</b> Land (net of any amortization) . . . . .				
<b>12a</b> Intangible assets (amortizable only). . . . .				
<b>b</b> Less accumulated amortization . . . . .				
<b>13</b> Other assets ( <i>attach schedule</i> ) . . . . .				
<b>14</b> <b>Total</b> assets . . . . .				
<b>Liabilities and Capital</b>				
<b>15</b> Accounts payable . . . . .				
<b>16</b> Mortgages, notes, bonds payable in less than 1 year . . . . .				
<b>17</b> Other current liabilities ( <i>attach schedule</i> ) . . . . .				
<b>18</b> All nonrecourse loans . . . . .				
<b>19</b> Mortgages, notes, bonds payable in 1 year or more . . . . .				
<b>20</b> Other liabilities ( <i>attach schedule</i> ) . . . . .				
<b>21</b> Partners' capital accounts . . . . .				
<b>22</b> <b>Total</b> liabilities and capital . . . . .				

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return** (Not required if Question 5 on Schedule B is answered "Yes." See page 29 of the instructions.)

<b>1</b> Net income (loss) per books . . . . .		<b>6</b> Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
<b>2</b> Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): . . . . .		<b>a</b> Tax-exempt interest \$ . . . . .	
<b>3</b> Guaranteed payments (other than health insurance) . . . . .		<b>7</b> Deductions included on Schedule K, lines 1 through 11, 14a, 17e, and 18b, not charged against book income this year (itemize):	
<b>4</b> Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17e, and 18b (itemize):		<b>a</b> Depreciation \$ . . . . .	
<b>a</b> Depreciation \$ . . . . .		<b>8</b> Add lines 6 and 7 . . . . .	
<b>b</b> Travel and entertainment \$ . . . . .		<b>9</b> Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 . . . . .	
<b>5</b> Add lines 1 through 4 . . . . .			

**Schedule M-2 Analysis of Partners' Capital Accounts** (Not required if Question 5 on Schedule B is answered "Yes.")

<b>1</b> Balance at beginning of year . . . . .		<b>6</b> Distributions: <b>a</b> Cash . . . . .	
<b>2</b> Capital contributed during year . . . . .		<b>b</b> Property . . . . .	
<b>3</b> Net income (loss) per books . . . . .		<b>7</b> Other decreases (itemize): . . . . .	
<b>4</b> Other increases (itemize): . . . . .		<b>8</b> Add lines 6 and 7 . . . . .	
<b>5</b> Add lines 1 through 4 . . . . .		<b>9</b> Balance at end of year. Subtract line 8 from line 5 . . . . .	



**SCHEDULE A  
(Form 5713)**

(Rev. October 1999)  
Department of the Treasury  
Internal Revenue Service

**International  
Boycott Factor (Section 999(c)(1))**

*Complete only if you are **not** computing a loss of tax benefits using the specifically  
attributable taxes and income method on Schedule B (Form 5713)*  
▶ **Attach to Form 5713.** ▶ **See instructions on page 2.**

OMB No. 1545-0216

Name	Identifying number
------	--------------------

Name of country being boycotted (check one): ☐ Israel ☐ Other (identify) ▶ .....

**Important:** If you are involved in more than one boycott, use a separate Schedule A for each boycott and attach to Form 5713.

Name of country  (1)	Purchases, sales, and payroll attributable to boycotting operations, by operation		
	Boycott purchases (2)	Boycott sales (3)	Boycott payroll (4)
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			
<b>f</b>			
<b>g</b>			
<b>h</b>			
<b>i</b>			
<b>j</b>			
<b>k</b>			
<b>l</b>			
<b>m</b>			
<b>n</b>			
<b>o</b>			
<b>Total</b> . . . . .			

**1** Numerator of boycott factor (add totals of columns (2), (3), and (4)) . . . . .

**2** Denominator of boycott factor:

**a** Total purchases from countries other than United States . . . . .

**b** Total sales to or from countries other than United States . . . . .

**c** Total payroll paid or accrued for services performed in countries other  
than United States . . . . .

**d** Total of lines 2a, b, and c . . . . .

**3 International boycott factor** (divide line 1 by line 2d). Enter here and on Schedule C  
(Form 5713) (see instructions) . . . . . ▶

## General Instructions

*References are to the Internal Revenue Code.*

### Who Must File

Complete Schedule A (Form 5713) if:

- You participated in or cooperated with an international boycott; and
- You are using the international boycott factor to figure the loss of tax benefits.

If you do not use the international boycott factor for this purpose, you must specifically attribute taxes and income on Schedule B (Form 5713).

### Boycott Operations

All your operations in a boycotting country are considered to be boycott operations, unless you rebut the presumption of participating in or cooperating with the boycott (as explained below). In addition, your operations that are not in a boycotting country are boycott operations if they are connected to your participation in or cooperation with the boycott.

#### Rebutting the presumption of boycott participation or cooperation.

One act of participation or cooperation creates the presumption that you participate in or cooperate with the boycott unless you rebut the presumption. The presumption applies to all your operations and those of each member of any controlled groups (defined in section 993(a)(3)) to which you belong, in each country that helps carry out the boycott.

You can rebut the presumption of participation in or cooperation with a boycott for a particular operation by demonstrating that the operation is separate from any participation in or cooperation with an international boycott. The presumption applies only to operations in countries that carry out the boycott. Therefore, you do not need to rebut the presumption for operations that are related to those countries if the operations take place outside of those countries.

### International Boycott Factor

Your international boycott factor reflects boycott purchases, boycott sales, and boycott payroll.

**Controlled groups.** All members of a controlled group generally share one international boycott factor, which reflects all their purchases, sales, and

payroll. However, if you belong to two or more controlled groups, your international boycott factor will reflect the purchases, sales, and payroll of all the controlled groups to which you belong.

**Partnerships and trusts.** You are deemed to have a prorated share of the purchases, sales, and payroll of each partnership in which you are a partner and of each trust if you are treated as the owner under section 671. As a result, your international boycott factor may also reflect purchases, sales, and payroll of partnerships and trusts.

### Specific Instructions

Compute a **separate** boycott factor and a separate schedule for **each** international boycott you participated in or cooperated with. Include your own operations and, if applicable, the operations of partnerships, trusts, and members of your controlled group.

See **Lines 8 Through 13** on page 3 of the Instructions for Form 5713 to see what years you should report purchases, sales, and payroll for partnerships, trusts, and controlled groups.

### Columns (1) Through (4)

In completing columns (1) through (4), show all boycott purchases, boycott sales, and boycott payroll from one operation on one line.

**Partnerships.** Complete **only** lines **a** through **o**, the total of columns (2), (3), and (4), and line 2. Do not complete line 3. Give this information to all partners so they can compute their own international boycott factor.

**Column (1).** Enter the name of the country that requires participation in or cooperation with an international boycott as a condition of doing business in that country. The country named in column (1) is not necessarily the country in which the operation takes place. For example, if you have an operation in Country Z that is not a boycotting country and the operation relates to Country X that is a boycotting country, enter the name of Country X in column (1). The Secretary maintains a list, under section 999(a)(3), of countries that require participation in or cooperation with an international boycott. This list may not be all-inclusive.

**Column (2).** Enter all purchases that are made from boycotting countries that are attributable to the operation reported on each line.

**Column (3).** Enter the sales that are made to or from boycotting countries and that are attributable to the operation reported on each line.

**Column (4).** Enter the total payroll that was paid or accrued for services performed in boycotting countries and that are attributable to the operation reported on each line.

### Lines 1 Through 3

**Line 1.** Add columns (2), (3), and (4). This amount is the numerator of your international boycott factor.

**Do not** include amounts attributable to operations for which you rebutted the presumption of participating in or cooperating with the boycott.

**Line 2.** The denominator of the international boycott factor reflects all your purchases, sales, and payroll in or related to all countries other than the United States. If applicable, the denominator also reflects these items for your controlled groups, partnerships, and trusts. Do include the amounts that are attributable to operations for which you rebutted the presumption of participating in or cooperating with the boycott.

**Line 3.** Enter the international boycott factor from line 3 of this form on the appropriate line of Schedule C (Form 5713) as follows.

IF you . . .	THEN enter the international boycott factor on . . .
Reduce your foreign tax credit,	Line 2a(2).
Are denied a tax deferral on subpart F income,	Line 3a(4).
Are denied a tax deferral on IC-DISC income,	Line 4a(2).
Are denied an exemption of foreign trade income of a FSC,	Line 5a(2).



**SCHEDULE A**  
**(Form 8609)**

(Rev. August 1996)

Department of the Treasury  
Internal Revenue Service**Annual Statement**

OMB No. 1545-0988

▶ **Attach to Form 8609 and file with owner's Federal income tax return.**▶ **For Paperwork Reduction Act Notice, see instructions for Form 8609.**Attachment  
Sequence No. **36a****A Building owner's name****B Identifying number ▶****C Building identification number ▶**

<b>1</b>	Eligible basis of building . . . . .	<b>1</b>		
<b>2</b>	Low-income portion (smaller of unit percentage or floor-space percentage) . . . . .	<b>2</b>	.	
<b>3</b>	Qualified basis of low-income building. Multiply line 1 by line 2 (see instructions) . . . . .	<b>3</b>		
<b>4</b>	Part-year adjustment . . . . .	<b>4</b>		
<b>5</b>	Credit percentage . . . . .	<b>5</b>	.	
<b>6</b>	Multiply line 3 or line 4 by the percentage on line 5 . . . . .	<b>6</b>		
<b>7</b>	Additions to qualified basis, if any . . . . .	<b>7</b>		
<b>8</b>	Part-year adjustment . . . . .	<b>8</b>		
<b>9</b>	Credit percentage. Enter one-third of the percentage on line 5 . . . . .	<b>9</b>	.	
<b>10</b>	Multiply line 7 or line 8 by the percentage on line 9 . . . . .	<b>10</b>		
<b>11</b>	Section 42(f)(3)(B) modification . . . . .	<b>11</b>		
<b>12</b>	Add lines 10 and 11 . . . . .	<b>12</b>		
<b>13</b>	Credit for building before line 14 reduction. Subtract line 12 from line 6 . . . . .	<b>13</b>		
<b>14</b>	Disallowed credit due to Federal grants (see instructions) . . . . .	<b>14</b>		
<b>15</b>	Credit allowed for building for tax year. Subtract line 14 from line 13, but do not enter more than the amount shown on Form 8609, Part I, line 1b . . . . .	<b>15</b>		
<b>16</b>	Taxpayer's proportionate share of credit for the year (see instructions) . . . . .	<b>16</b>		
<b>17</b>	Pro rata reduction for the increased credit in prior year (see instructions) . . . . .	<b>17</b>		
<b>18</b>	Taxpayer's credit for tax years after the election year. Subtract line 17 from line 16. Enter here and in Part I of Form 8586 (see instructions). . . . .	<b>18</b>		

**General Instructions***Section references are to the Internal Revenue Code unless otherwise noted.*

**Note:** Some of the line numbers on the January 1993, January 1994, and the August 1996 revisions of Form 8609 differ from earlier revisions of that form (i.e., the March 1991 and December 1989 revisions). In these cases, the line references that correspond to the earlier revisions of Form 8609 are shown in parentheses in these instructions.

**Purpose of Schedule**

Schedule A (Form 8609) must be completed by the building owner each year of the 15-year compliance period, whether or not a credit is claimed for the tax year. For a building receiving separate allocations for the existing building and for the rehabilitation expenditures, a separate Schedule A must be completed for each credit claimed.

The building owner must attach Schedule A, the owner's copy of Form 8609, and **Form 8586**, Low-Income Housing Credit, to the owner's tax return. If the owner is a partnership, S corporation, estate, or trust (flow-through entity), the entity will complete and attach these forms to its return. If you are a partner, shareholder, or beneficiary in a flow-through entity that owns the building, Form 8586 is the only form needed to claim the credit.

**Recapture of Credit**

If the qualified basis of the building has decreased from the qualified basis at the close of the previous tax year, you may

have to recapture parts of the credits allowed in previous years. Get **Form 8611**, Recapture of Low-Income Housing Credit.

**Specific Instructions**

**Item B.**—If you are an individual, enter your social security number. All others, enter your employer identification number.

**Item C.**—Enter the building identification number from Part I, item E, of Form 8609.

**Line 1.**—Generally, the eligible basis of a building for its entire 15-year compliance period is the amount of eligible basis entered in Part II, line 7b (Part II, line 1b on earlier revisions) of Form 8609.

**Basis increases for buildings in certain high-cost areas.**—In order to increase the allocated credit for buildings in certain high-cost areas, the housing credit agency may increase the eligible basis of buildings located in these areas (after adjustments, if any, for Federal subsidies and grants). The agency may make this increase under the high-cost-area provisions of section 42(d)(5)(C).

The agency shows the increased percentage of the eligible basis in Part I, line 3b of Form 8609.

The eligible basis in Part II, line 7b of Form 8609 (Part II, line 1b, on earlier revisions), should reflect the percentage increase.

If the agency used an earlier revision of Form 8609 (which did not have line 3b in Part I) to issue a 1990 credit allocation to which the high-cost-area provisions were applied, it should have notified you of the Part I percentage increase in a separate statement. Based on this statement,

increase the eligible basis of the building reported in Part II of the Form 8609 you file.

**Note:** This increase cannot cause the credit on line 15 of Schedule A to exceed the credit amount allocated on line 1b, Part I of Form 8609.

**Basis reductions.**—The amount of eligible basis determined in Part II, line 7b of Form 8609 (Part II, line 1b, on earlier revisions) does not include the cost of land, the amount of any Federal grant received for the building during the first year of the credit period, or any portion of a building's adjusted basis for which an election was made prior to November 5, 1990, under section 167(k). Do not reduce the eligible basis on line 1 of Schedule A by the amounts of any Federal grants received after the first year of the credit period. The calculation for line 14 of Schedule A will reduce the credit by the amount of any Federal grants received during the compliance period that did not reduce the eligible basis during the first year of the credit period.

For more details on determining eligible basis, see the instructions for Part II, line 7b of Form 8609 (Part II, line 1b, on earlier revisions).

**Line 2.**—Only the portion of the basis on line 1 attributable to the low-income rental units in the building at the close of the tax year qualifies for the credit. This is the **smaller of (a)** the percentage of low-income units to all residential rental units (the "unit percentage") or **(b)** the percentage of floor space of the low-income units to the floor space of all residential rental units (the "floor space percentage"). This percentage must be

**SCHEDULE A  
(Form 8847)**

(October 1995)

Department of the Treasury  
Internal Revenue Service

**Receipt for Contribution to a Selected Community  
Development Corporation (CDC)**

► **Attach to Form 8847 and file with contributor's Federal income tax return.**

OMB No. 1545-1416

Attachment  
Sequence No. **100a**

**Part I**    **Receipt for Qualified Cash Contribution** (Completed by the Selected CDC Only)

Name, address, and employer identification number of the CDC	Name and address of contributor
--	---------------------------------

Kind of contribution (check only 1 box):

☐ Charitable deduction

☐ Loan

☐ Other long-term investment (explain) .....

Date of contribution ►    /    /    Amount contributed \$    Amount qualified for CDC credit \$

Under penalties of perjury, I declare that to the best of my knowledge and belief, the information in Part I is true, correct, and complete.

Signature of authorized official	Name (type or print)	Date
----------------------------------	----------------------	------

**Part II**    **Annual Certification by Contributor**

**Note:** A separate **Schedule A (Form 8847)** must be attached to **Form 8847**, Credit for Contributions to Selected Community Development Corporations, for each year of the 10-year-credit period for each separate qualified contribution.

**Caution:** Because this part requires an original signature each year and Schedule A is issued by the selected CDC only for the year of the contribution, complete the following steps after you receive Schedule A from the selected CDC:

- Make a **copy** of Schedule A. **Do not** sign or complete Part II of the original.
- Complete and sign Part II of the **copy** and attach it to the Form 8847 that you file with your income tax return.
- Keep the original Schedule A so that you can make a copy each year for the annual certification of the contribution reported in Part I.

Under penalties of perjury, I declare that the contribution in Part I continues to be a qualified CDC contribution as defined in the Form 8847 instructions; and that I have examined this form, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of contributor	Name and title, if any (type or print)	Date
--------------------------	--	------

**For Paperwork Reduction Act Notice, see instructions for Form 8847.**

Cat No. 21528J

**Schedule A (Form 8847) (10-95)**



Printed on recycled paper

SCHEDULE B  
(Form 5713)

(Rev. October 1999)

Department of the Treasury  
Internal Revenue Service

Specifically Attributable Taxes  
and Income (Section 999(c)(2))

Complete only if you are **not** computing a loss of tax benefits  
using the international boycott factor on Schedule A (Form 5713).

OMB No. 1545-0216

▶ Attach to Form 5713. ▶ See instructions on page 2.

Name	Identifying number
------	--------------------

Name of country being boycotted . . . ☐ Israel ☐ Other (identify) ▶

**Important:** If you are involved in more than one international boycott, use a separate Schedule B (Form 5713) to compute the specifically attributable taxes and income for each boycott.

Specifically Attributable Taxes and Income by Operation (Use a separate line for each operation.)

Name of country	Principal business activity		Foreign tax credit	Subpart F income	IC-DISC income	FSC income
	Code	Description	Foreign taxes attributable to boycott operations	Prorated share of international boycott income	Taxable income attributable to boycott operations	Taxable income attributable to boycott operations
(1)	(2)	(3)	(4)	(5)	(6)	(7)
a						
b						
c						
d						
e						
f						
g						
h						
i						
j						
k						
l						
m						
n						
o Total . . . . . ▶						

## General Instructions

*References are to the Internal Revenue Code.*

### Purpose of Schedule

Complete Schedule B (Form 5713) if:

- You participated in or cooperated with an international boycott, and
- You figure the loss of tax benefits by specifically attributing taxes and income.

If you do not specifically attribute taxes and income for this purpose, you must compute the international boycott factor on Schedule A (Form 5713).

**Certain shareholders.** IC-DISC benefits, certain FSC benefits, the "deemed paid" foreign tax credit under section 902, and the deferral of subpart F income are lost at the shareholder level. Shareholders in an IC-DISC, certain FSCs, or a foreign corporation must report their prorated share of the tax benefits denied. The denial of these benefits is discussed in the specific instructions for columns (4) through (7).

### Boycott Operations

All of your operations in a boycotting country are considered to be boycott operations, unless you rebut the presumption of participation in or cooperation with the boycott (as explained below). In addition, your operations that are not in a boycotting country are boycott operations if they are connected to your participation in or cooperation with the boycott.

**Rebutting the presumption of boycott participation or cooperation.** One act of participation or cooperation creates the presumption that you participate in or cooperate with the boycott unless you rebut the presumption. The presumption applies to all of your operations (and those of each member of any controlled groups (defined in section 993(a)(3)) to which you belong) in each country that helps carry out the boycott.

You can rebut the presumption of participation in or cooperation with a boycott for a particular operation by demonstrating that the operation is separate from any participation in or cooperation with an international boycott. The presumption applies only to operations in countries that carry out the boycott. Therefore, you do not

need to rebut the presumption for operations that are related to those countries if the operations take place outside of those countries.

### Specific Instructions

File Schedule B (Form 5713) for the period covered by your income tax return. Report only your own taxes and income; do not include other members of any controlled groups to which you belong.

### Columns (1) through (7)

In completing columns (1) through (7), show all specifically identifiable taxes and income in each appropriate column from one operation on one line.

**Column (1).** Enter the name of the country that requires participation in or cooperation with an international boycott as a condition of doing business in that country. The country named in column (1) is not necessarily the country where you have operations. For example, if you have operations in Country Z that is not a boycotting country and the operation relates to Country X that is a boycotting country, enter the name of Country X in column (1). See page 2 of the Instructions for Form 5713 for a list of boycotting countries.

**Column (2).** Enter the principal business activity code of the boycott operation from the list beginning on page 5 of the Instructions for Form 5713.

**Column (3).** Briefly describe the principal business activity of the boycott operation. For IC-DISCs, enter the major product code and description in parentheses. See the Instructions for Schedule N of Form 1120-IC-DISC for a list of the codes.

**Column (4).** Enter the foreign taxes paid, accrued, or deemed paid that are attributable to the boycott operation. These taxes are not eligible for the foreign tax credit. Omit foreign taxes otherwise disallowed under sections 901 through 907, 911, and 6038. For more information, see Part N of the Treasury Department's International Boycott Guidelines.

Enter the column (4) total on line 2b, Schedule C (Form 5713).

**Column (5).** Enter your prorated share of the controlled foreign corporation's income that is attributable to the boycott operation. (This includes your share of the section 923(a)(2) non-exempt income of a FSC.) This amount is not eligible for tax deferral. Omit the foreign corporation's income attributable to earnings and profits that are included in gross income under section 951 (except by reason of section 952(a)(3)). Also omit amounts excluded from subpart F income by section 952(b). In figuring the amount to enter in column (5), you are allowed a reasonable amount for deductions (including foreign taxes) allocable to that income.

Enter the column (5) total on line 3b, Schedule C (Form 5713).

**Column (6).** An IC-DISC's taxable income attributable to boycott participation or cooperation is not eligible for deferral.

If you are a shareholder in an IC-DISC, follow these steps for each boycott operation and enter the result in column (6).

1. Add the amount deemed distributed for the tax year under section 995(b)(1)(A), (B), (C), (D), and (E).
2. Subtract that total from the IC-DISC's taxable income attributable to the boycott operation for the tax year, before reduction for any distributions.
3. If you are a C corporation, prorate your share of the remainder and multiply by 16/17. If you are not a C corporation, prorate your share of the remainder.
4. Enter the result in column (6).

Enter the column (6) total on line 4b, Schedule C (Form 5713).

**Column (7).** A FSC's taxable income attributable to boycott participation or cooperation is not eligible for exemption from income tax. Enter in column (7) the taxable income attributable to foreign trade income of a FSC for each boycott operation that would have been exempt if there had not been boycott participation or cooperation.

Enter the column (7) total on line 5b, Schedule C (Form 5713).





**SCHEDULE C  
(Form 5713)**

(Rev. October 1999)  
Department of the Treasury  
Internal Revenue Service

**Tax Effect of the International Boycott Provisions**

► Attach to Form 5713.

► See instructions on page 2.

► For Paperwork Reduction Act Notice, see page 1 of Instructions for Form 5713.

OMB No. 1545-0216

Name	Identifying number
------	--------------------

- 1 Method used to compute loss of tax benefits (check one):
- a International boycott factor from Schedule A (Form 5713). See items 2a, 3a, 4a, and 5a below . . . . . ► ☐
- b Identification of specifically attributable taxes and income from Schedule B (Form 5713). See items 2b, 3b, 4b, and 5b below . . . . . ► ☐

2 Reduction of foreign tax credit (section 908(a)):

a **International boycott factor.** Complete if you checked box 1a above and answered "Yes" to foreign tax credit question on line 7d, Form 5713—

(1) Foreign tax credit before adjustment from Form 1116 or 1118. (See instructions.) . . . . .

(2) International boycott factor from Schedule A (Form 5713), line 3 . . . . .

(3) Reduction of foreign tax credit. Multiply line 2a(1) by line 2a(2). Enter here and on Form 1116 or 1118. (See instructions.) . . . . .

(4) Adjusted foreign tax credit. Subtract line 2a(3) from line 2a(1) . . . . .

b **Specifically attributable taxes and income.** Complete if you checked box 1b above and answered "Yes" to foreign tax credit question on line 7d, Form 5713. Enter the amount from line o, column (4), Schedule B (Form 5713). . . . .

Enter the appropriate part of this amount on Form 1116 or 1118. (See instructions.)

3 Denial of deferral under subpart F (section 952(a)(3)):

a **International boycott factor.** Complete if you checked box 1a above and answered "Yes" to controlled foreign corporation question on line 7b, Form 5713—

(1) Prorated share of total income of controlled foreign corporations (See instructions.) . . . . .

(2) Prorated share of income attributable to earnings and profits of controlled foreign corporations included in income under sections 951(a)(1)(A)(ii), 951(a)(1)(A)(iii), 951(a)(1)(B), 952(a)(1), 952(a)(2), 952(a)(4), 952(a)(5), and 952(b) . . . . .

(3) Subtract line 3a(2) from line 3a(1) . . . . .

(4) International boycott factor from Schedule A (Form 5713), line 3 . . . . .

(5) Prorated share of subpart F international boycott income. Multiply line 3a(3) by line 3a(4). Enter here and on Worksheet A of the Form 5471 instructions. (See instructions.) . . . . .

b **Specifically attributable taxes and income.** Complete if you checked box 1b above and answered "Yes" to controlled foreign corporation question on line 7b, Form 5713. Enter the amount from line o, column (5), Schedule B (Form 5713) here and on Worksheet A of the Form 5471 instructions. (See instructions.) . . . . .

4 Denial of IC-DISC benefits (section 995(b)(1)(F)(iii)):

a **International boycott factor.** Complete if you checked box 1a above and answered "Yes" to IC-DISC question on line 7c, Form 5713—

(1) Prorated share of section 995(b)(1)(F)(i) amount. (See instructions.) . . . . .

(2) International boycott factor from Schedule A (Form 5713), line 3 . . . . .

(3) Prorated share of IC-DISC international boycott income. Multiply line 4a(1) by line 4a(2). Enter this amount here and on Form 1120-IC-DISC. (See instructions.) . . . . .

b **Specifically attributable taxes and income.** Complete if you checked box 1b above and answered "Yes" to IC-DISC question on line 7c, Form 5713. Enter the amount from line o, column (6), Schedule B (Form 5713) here and on Form 1120-IC-DISC. (See instructions.) . . . . .

5 Denial of exemption of foreign trade income (section 927(e)(2)):

a **International boycott factor.** Complete if you checked box 1a above and answered "Yes" to FSC question on line 7i, Form 5713.

(1) Add amounts from columns (a) and (b), line 10, Schedule B (Form 1120-FSC) . . . . .

(2) International boycott factor from Schedule A (Form 5713), line 3 . . . . .

(3) Exempt foreign trade income of an FSC attributable to international boycott operations. Multiply line 5a(1) by line 5a(2). Enter here and on Form 1120-FSC. (See instructions.) . . . . .

b **Specifically attributable taxes and income.** Complete if you checked box 1b above and answered "Yes" to the question on line 7i, Form 5713. Enter the amount from line o, column (7), Schedule B (Form 5713) here and on Form 1120-FSC. (See instructions.) . . . . .

## Instructions

Section references are to the *Internal Revenue Code*.

### Who Must File

Schedule C (Form 5713) is used to compute the loss of tax benefits attributable to participation in or cooperation with an international boycott. Complete Schedule C if you completed either Schedule A or Schedule B of Form 5713.

**Partnerships.** Complete Schedule C if you are a partner. Partnerships do not complete Schedule C.

**Controlled groups.** Unless a controlled group (described in section 993(a)(3)) files a consolidated return, each member may independently choose to either **(1)** apply the international boycott factor under section 999(c)(1), or **(2)** identify specifically attributable taxes and income under section 999(c)(2). Each member must consistently use a single method to figure the loss of tax benefits.

**Example.** A member that chooses to use the international boycott factor must apply it to determine its loss of the section 902 indirect foreign tax credit on a dividend that another member of the controlled group paid to it, even if the other member determines its own loss of tax benefits by identifying specifically attributable taxes and income.

- A person who applies the international boycott factor to one operation must, however, apply the factor to all that tax year's operations under section 908(a), 952(a)(3), 995(b)(1)(F)(ii), or 927(e)(2).
- A person who identifies specifically attributable taxes and income under section 999(c)(2) must use that method for all that tax year's

operations under section 908(a), 952(a)(3), 995(b)(1)(F), or 927(e)(2).

- An IC-DISC whose tax year differs from the common taxable year of the controlled group of which it is a member does not need to amend its return to show on Schedule J (Form 1120-IC-DISC) the amount of IC-DISC benefits lost because of boycott participation. Because the IC-DISC benefits are lost at the shareholder level, the shareholder must include in income the prorated share of income attributable to boycott operations shown on line 4a(3).

### Lines 2 through 5

**Note:** All line references are to 1999 forms unless otherwise noted.

**Line 2a(1).** Enter the foreign tax credit before adjustment from Form 1116 or 1118. Individual filers, enter the amount from line 30, Part IV, of Form 1116. Corporate filers, enter the amount from line 11, Part III, Schedule B, of Form 1118 (Rev. January 1999).

**Line 2a(3).** Enter the reduction of foreign tax credit from this line on either Form 1116 or 1118. Individual filers, enter this amount on line 31, Part IV, of Form 1116. Corporate filers, enter this amount on line 12, Part III, Schedule B, of Form 1118.

**Line 2b.** Enter the reduction of foreign taxes available for credit from line 2b on Form 1116 or 1118. Individual filers, enter this amount on line 12, Part III, of Form 1116. Corporations, enter this amount on line C, Schedule G, of Form 1118.

**Line 3a(1).** Enter your share of the income of the controlled foreign corporation on line 3a(1).

Nonexempt foreign trade income of a foreign sales corporation (FSC) that was computed without regard to the administrative pricing rules is subject to the subpart F rules. Enter your share of these types of income on line 3a(1).

**Line 3a(5).** Enter the prorated share of subpart F international boycott income on line 24 of Worksheet A in the Instructions for Form 5471 (Rev. January 1999).

**Line 3b.** Enter this amount on line 24 of Worksheet A in the Instructions for Form 5471.

**Line 4a(1).** Enter the prorated share of section 995(b)(1)(F)(i) amount on line 4a(1) as follows:

• **Shareholder that is not a C corporation.** Enter the pro rata share of line 8, Part I, Schedule J, Form 1120-IC-DISC.

• **Shareholder that is a C corporation.** Enter the pro rata share of line 8, Part I, Schedule J, Form 1120-IC-DISC, multiplied by 16/17.

**Line 4a(3).** Enter this amount on line 10, Part I, Schedule J, Form 1120-IC-DISC.

**Line 4b.** Enter the specifically attributable taxes and income on line 10, Part I, Schedule J, Form 1120-IC-DISC.

**Line 5a(3).** Enter this amount on line 2, Schedule F, Form 1120-FSC.

**Line 5b.** Enter this amount on line 2, Schedule F, Form 1120-FSC.



**SCHEDULE D  
(Form 1065)**Department of the Treasury  
Internal Revenue Service**Capital Gains and Losses**

► Attach to Form 1065.

OMB No. 1545-0099

**1999**

Name of partnership

Employer identification number

**Part I Short-Term Capital Gains and Losses—Assets Held 1 Year or Less**

(a) Description of property (e.g., 100 shares of "Z" Co.)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2	Short-term capital gain from installment sales from Form 6252, line 26 or 37 . . . . .				2	
3	Short-term capital gain (loss) from like-kind exchanges from Form 8824 . . . . .				3	
4	Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts . . . . .				4	
5	<b>Net short-term capital gain or (loss).</b> Combine lines 1 through 4 in column (f). Enter here and on Form 1065, Schedule K, line 4d or 7 . . . . .				5	

**Part II Long-Term Capital Gains and Losses—Assets Held More Than 1 Year**

(a) Description of property (e.g., 100 shares of "Z" Co.)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr. below)
6						
7	Long-term capital gain from installment sales from Form 6252, line 26 or 37 . . . . .				7	
8	Long-term capital gain (loss) from like-kind exchanges from Form 8824 . . . . .				8	
9	Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts . . . . .				9	
10	Capital gain distributions . . . . .				10	
11	Combine lines 6 through 10 in column (g). Enter here and on Form 1065, Schedule K, line 4e(1) or 7 . . . . .				11	
12	<b>Net long-term capital gain or (loss).</b> Combine lines 6 through 10 in column (f). Enter here and on Form 1065, Schedule K, line 4e(2) or 7 . . . . .				12	

\*28% rate gain or (loss) includes all "collectibles gains and losses" as defined in the instructions.

## General Instructions

Section references are to the Internal Revenue Code.

### Changes To Note

- For sales, exchanges, and conversions after 1997, property held more than 1 year (instead of more than 18 months) generally is eligible for the 10%, 20%, and 25% maximum capital gains rates at the partner level (for individuals, estates, and trusts). This rule also applies to installment payments received after 1997. Therefore, the partnership should include in column (g) of Schedule D **only** collectibles gains and losses and certain pre-1998 gains from fiscal year pass-through entities.
- The partnership may be able to postpone gain on the sale of qualified small business stock. For details, see **Rollover of gain from qualified stock** on page 3.

### Purpose of Schedule

Use Schedule D (Form 1065) to report sales or exchanges of capital assets, capital gain distributions, and nonbusiness bad debts. Do not report on Schedule D capital gains (losses) specially allocated to any partners.

Enter capital gains (losses) specially allocated to the partnership as a partner in other partnerships and from estates and trusts on Schedule D, line 4 or 9, whichever applies. Enter capital gains (losses) of the partnership that are specially allocated to partners directly on line 4d, 4e(1), 4e(2), or 7 of Schedules K and K-1, whichever applies. See **How Income Is Shared Among Partners** in the Instructions for Form 1065 for more information.

To report sales or exchanges of property other than capital assets, including the sale or exchange of property used in a trade or business and involuntary conversions (other than casualties and thefts), see **Form 4797**, Sales of Business Property, and related instructions. If property is involuntarily converted because of a casualty or theft, use **Form 4684**, Casualties and Thefts.

Gains and losses from section 1256 contracts and straddles are reported on **Form 6781**, Gains and Losses From Section 1256 Contracts and Straddles. If there are limited partners, see section 1256(e)(4) for the limitation on losses from hedging transactions.

An exchange of business or investment property for property of a like kind is reported on **Form 8824**, Like-Kind Exchanges.

For more information, see **Pub. 544**, Sales and Other Dispositions of Assets.

### What Are Capital Assets?

Each item of property the partnership held (whether or not connected with its trade or business) is a capital asset **except**:

1. Assets that can be inventoried or property held mainly for sale to customers.
2. Depreciable or real property used in the trade or business.
3. Certain copyrights; literary, musical, or artistic compositions; letters or memoranda; or similar property.
4. Accounts or notes receivable acquired in the ordinary course of trade or business for services rendered or from the sale of property described in 1 above.
5. U.S. Government publications, including the Congressional Record, that the partnership received from the government, other than by purchase at the normal sales price, or that the partnership got from another taxpayer who had received it in a similar way, if the partnership's basis is determined by reference to the previous owner.

### Items for Special Treatment

- Bonds and other debt instruments. See **Pub. 550**, Investment Income and Expenses.
- Certain real estate subdivided for sale that may be considered a capital asset. See section 1237.
- Gain on the sale of depreciable property to a more than 50%-owned entity, or to a trust in which the partnership is a beneficiary, is treated as ordinary gain.
- Liquidating distributions from a corporation. See **Pub. 550** for details.
- Gain on the sale or exchange of stock in certain foreign corporations. See section 1248.
- Gain or loss on options to buy or sell, including closing transactions. See **Pub. 550** for details.
- Gain or loss from a short sale of property. See **Pub. 550** for details.
- Transfer of property to a political organization if the fair market value of the property exceeds the partnership's adjusted basis in such property. See section 84.
- Any loss on the disposition of converted wetland or highly erodible cropland that is first used for farming after March 1, 1986, is reported as a long-term capital loss on Schedule D, but any gain on such a disposition is reported as ordinary income on Form 4797. See section 1257 for details.

- Transfer of partnership assets and liabilities to a newly formed corporation in exchange for all of its stock. See Rev. Rul. 84-111, 1984-2 C.B. 88.
- Disposition of foreign investment in a U.S. real property interest. See section 897.
- Any loss from a sale or exchange of property between the partnership and certain related persons is not allowed, except for distributions in complete liquidation of a corporation. See sections 267 and 707(b) for details.
- Any loss from securities that are capital assets that become worthless during the year is treated as a loss from the sale or exchange of a capital asset on the last day of the tax year.
- Gain from the sale or exchange of stock in a collapsible corporation is not a capital gain. See section 341.
- Nonrecognition of gain on sale of stock to an employee stock ownership plan (ESOP) or an eligible cooperative. See section 1042 and Temporary Regulations section 1.1042-1T for rules under which the partnership may elect not to recognize gain from the sale of certain stock to an ESOP or an eligible cooperative.
- A nonbusiness bad debt must be treated as a short-term capital loss and can be deducted only in the year the debt becomes totally worthless. For each bad debt, enter the name of the debtor and "schedule attached" in column (a) of line 1 and the amount of the bad debt as a loss in column (f). Also attach a statement of facts to support each bad debt deduction.
- Any loss from a wash sale of stock or securities (including contracts or options to acquire or sell stock or securities) cannot be deducted unless the partnership is a dealer in stock or securities and the loss was sustained in a transaction made in the ordinary course of the partnership's trade or business. A wash sale occurs if the partnership acquires (by purchase or exchange), or has a contract or option to acquire, substantially identical stock or securities within 30 days before or after the date of the sale or exchange. See section 1091 for more information.
- Gains from the sale of property (other than publicly traded stock or securities) for which any payment is to be received in a tax year after the year of sale must be reported using the installment method on **Form 6252**, Installment Sale Income, unless the partnership elects to report the entire gain in the year of sale. The partnership should also use Form 6252 if it received a payment this year from a sale made in an earlier year on the installment method.

**SCHEDULE F**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Profit or Loss From Farming**

▶ **Attach to Form 1040, Form 1041, Form 1065, or Form 1065-B.**

▶ **See Instructions for Schedule F (Form 1040).**

OMB No. 1545-0074

**1999**

Attachment  
Sequence No. **14**

Name of proprietor

Social security number (SSN)

**A** Principal product. Describe in one or two words your principal crop or activity for the current tax year.

**B** Enter code from Part IV

**D** Employer ID number (EIN), if any

**C** Accounting method: (1) ☐ Cash (2) ☐ Accrual

**E** Did you "materially participate" in the operation of this business during 1999? If "No," see page F-2 for limit on passive losses. ☐ Yes ☐ No

**Part I Farm Income—Cash Method. Complete Parts I and II** (Accrual method taxpayers complete Parts II and III, and line 11 of Part I.)  
**Do not include sales of livestock held for draft, breeding, sport, or dairy purposes; report these sales on Form 4797.**

1	Sales of livestock and other items you bought for resale . . . . .	1			
2	Cost or other basis of livestock and other items reported on line 1 . . . . .	2			
3	Subtract line 2 from line 1 . . . . .	3			
4	Sales of livestock, produce, grains, and other products you raised . . . . .	4			
5a	Total cooperative distributions (Form(s) 1099-PATR) . . . . .	5a			
5b	Taxable amount . . . . .	5b			
6a	Agricultural program payments (see page F-2) . . . . .	6a			
6b	Taxable amount . . . . .	6b			
7	Commodity Credit Corporation (CCC) loans (see page F-3):				
a	CCC loans reported under election . . . . .	7a			
b	CCC loans forfeited . . . . .	7b			
7c	Taxable amount . . . . .	7c			
8	Crop insurance proceeds and certain disaster payments (see page F-3):				
a	Amount received in 1999 . . . . .	8a			
8b	Taxable amount . . . . .	8b			
c	If election to defer to 2000 is attached, check here <input type="checkbox"/> . . . . .	8d			
8d	Amount deferred from 1998 . . . . .				
9	Custom hire (machine work) income . . . . .	9			
10	Other income, including Federal and state gasoline or fuel tax credit or refund (see page F-3) . . . . .	10			
11	<b>Gross income.</b> Add amounts in the right column for lines 3 through 10. If accrual method taxpayer, enter the amount from page 2, line 51 . . . . .	11			

**Part II Farm Expenses—Cash and Accrual Method. Do not include personal or living expenses such as taxes, insurance, repairs, etc., on your home.**

12	Car and truck expenses (see page F-4—also attach <b>Form 4562</b> ) . . . . .	12			
13	Chemicals . . . . .	13			
14	Conservation expenses (see page F-4) . . . . .	14			
15	Custom hire (machine work) . . . . .	15			
16	Depreciation and section 179 expense deduction not claimed elsewhere (see page F-4) . . . . .	16			
17	Employee benefit programs other than on line 25 . . . . .	17			
18	Feed purchased . . . . .	18			
19	Fertilizers and lime . . . . .	19			
20	Freight and trucking . . . . .	20			
21	Gasoline, fuel, and oil . . . . .	21			
22	Insurance (other than health) . . . . .	22			
23	Interest:				
a	Mortgage (paid to banks, etc.) . . . . .	23a			
b	Other . . . . .	23b			
24	Labor hired (less employment credits) . . . . .	24			
25	Pension and profit-sharing plans . . . . .	25			
26	Rent or lease (see page F-5):				
a	Vehicles, machinery, and equipment . . . . .	26a			
b	Other (land, animals, etc.) . . . . .	26b			
27	Repairs and maintenance . . . . .	27			
28	Seeds and plants purchased . . . . .	28			
29	Storage and warehousing . . . . .	29			
30	Supplies purchased . . . . .	30			
31	Taxes . . . . .	31			
32	Utilities . . . . .	32			
33	Veterinary, breeding, and medicine . . . . .	33			
34	Other expenses (specify):				
a	.....	34a			
b	.....	34b			
c	.....	34c			
d	.....	34d			
e	.....	34e			
f	.....	34f			

**35 Total expenses.** Add lines 12 through 34f . . . . . ▶

**36 Net farm profit or (loss).** Subtract line 35 from line 11. If a profit, enter on **Form 1040, line 18**, and ALSO on **Schedule SE, line 1**. If a loss, you MUST go on to line 37 (estates, trusts, and partnerships, see page F-6) . . . . .

**37** If you have a loss, you MUST check the box that describes your investment in this activity (see page F-6).  
• If you checked 37a, enter the loss on **Form 1040, line 18**, and ALSO on **Schedule SE, line 1**.  
• If you checked 37b, you MUST attach **Form 6198**.  
37a ☐ All investment is at risk.  
37b ☐ Some investment is not at risk.

**Part III Farm Income—Accrual Method** (see page F-6)

**Do not include sales of livestock held for draft, breeding, sport, or dairy purposes; report these sales on Form 4797 and do not include this livestock on line 46 below.**

<b>38</b>	Sales of livestock, produce, grains, and other products during the year . . . . .	<b>38</b>		
<b>39a</b>	Total cooperative distributions (Form(s) 1099-PATR) <b>39a</b>	<b>39b</b>	Taxable amount	<b>39b</b>
<b>40a</b>	Agricultural program payments . . . . . <b>40a</b>	<b>40b</b>	Taxable amount	<b>40b</b>
<b>41</b>	Commodity Credit Corporation (CCC) loans:			
<b>a</b>	CCC loans reported under election . . . . .	<b>41a</b>		
<b>b</b>	CCC loans forfeited . . . . . <b>41b</b>	<b>41c</b>	Taxable amount	<b>41c</b>
<b>42</b>	Crop insurance proceeds . . . . .	<b>42</b>		
<b>43</b>	Custom hire (machine work) income . . . . .	<b>43</b>		
<b>44</b>	Other income, including Federal and state gasoline or fuel tax credit or refund . . . . .	<b>44</b>		
<b>45</b>	Add amounts in the right column for lines 38 through 44 . . . . .	<b>45</b>		
<b>46</b>	Inventory of livestock, produce, grains, and other products at beginning of the year . . . . .	<b>46</b>		
<b>47</b>	Cost of livestock, produce, grains, and other products purchased during the year . . . . .	<b>47</b>		
<b>48</b>	Add lines 46 and 47 . . . . .	<b>48</b>		
<b>49</b>	Inventory of livestock, produce, grains, and other products at end of year	<b>49</b>		
<b>50</b>	Cost of livestock, produce, grains, and other products sold. Subtract line 49 from line 48* . . . . .	<b>50</b>		
<b>51</b>	<b>Gross income.</b> Subtract line 50 from line 45. Enter the result here and on page 1, line 11 . . . . . ▶	<b>51</b>		

\*If you use the unit-livestock-price method or the farm-price method of valuing inventory and the amount on line 49 is larger than the amount on line 48, subtract line 48 from line 49. Enter the result on line 50. Add lines 45 and 50. Enter the total on line 51.

**Part IV Principal Agricultural Activity Codes**

**Caution.** File **Schedule C** (Form 1040), Profit or Loss From Business, or **Schedule C-EZ** (Form 1040), Net Profit From Business, instead of Schedule F if:

- Your principal source of income is from providing agricultural services such as soil preparation, veterinary, farm labor, horticultural, or management for a fee or on a contract basis, or
- You are engaged in the business of breeding, raising, and caring for dogs, cats, or other pet animals.

These codes for the Principal Agricultural Activity classify farms by the type of activity they are engaged in to facilitate the administration of the Internal Revenue Code. These six-digit codes are based on the North American Industry Classification System (NAICS).

Select one of the following codes and enter the six-digit number on page 1, line B:

**Crop Production**

- 111100 Oilseed and grain farming
- 111210 Vegetable and melon farming
- 111300 Fruit and tree nut farming

- 111400 Greenhouse, nursery, and floriculture production
- 111900 Other crop farming

**Animal Production**

- 112111 Beef cattle ranching and farming
- 112112 Cattle feedlots
- 112120 Dairy cattle and milk production
- 112210 Hog and pig farming
- 112300 Poultry and egg production
- 112400 Sheep and goat farming
- 112510 Animal aquaculture
- 112900 Other animal production

**Forestry and Logging**

- 113000 Forestry and logging (including forest nurseries and timber tracts)



**SCHEDULE J  
(Form 5471)**(Rev. January 1999)  
Department of the Treasury  
Internal Revenue Service**Accumulated Earnings and Profits (E&P)  
of Controlled Foreign Corporation**

OMB No. 1545-0704

► Attach to Form 5471.

Name of person filing Form 5471

Identifying number

Name of foreign corporation

<b>Important.</b> Enter amounts in functional currency.	<b>(a)</b> Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	<b>(b)</b> Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	<b>(c)</b> Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)			<b>(d)</b> Total Section 964(a) E&P (combine columns (a), (b), and (c))
			<i>(i)</i> Earnings Invested in U.S. Property	<i>(ii)</i> Earnings Invested in Excess Passive Assets	<i>(iii)</i> Subpart F Income	
<b>1</b> Balance at beginning of year						
<b>2a</b> Current year E&P						
<b>b</b> Current year deficit in E&P						
<b>3</b> Total current and accumulated E&P not previously taxed (line 1 plus line 2a, minus line 2b)						
<b>4</b> Amounts included under section 951(a) or reclassified under section 959(c) in current year						
<b>5a</b> Actual distributions or reclassifications of previously taxed E&P						
<b>b</b> Actual distributions of nonpreviously taxed E&P						
<b>6a</b> Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)						
<b>b</b> Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)						
<b>7</b> Balance at end of year. (Enter amount from line 6a or line 6b, whichever is applicable.)						



**SCHEDULE K-1**  
**(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Partner's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

OMB No. 1545-0099

**1999**

For calendar year 1999 or tax year beginning

, 1999, and ending

**Partner's identifying number ▶**

Partner's name, address, and ZIP code

**Partnership's identifying number ▶**

Partnership's name, address, and ZIP code

**A** This partner is a ☐ general partner ☐ limited partner

☐ limited liability company member

**B** What type of entity is this partner? ▶

**C** Is this partner a ☐ domestic or a ☐ foreign partner?

**D** Enter partner's percentage of: (i) Before change or termination (ii) End of year

Profit sharing . . . . . % %

Loss sharing . . . . . % %

Ownership of capital . . . . . % %

**E** IRS Center where partnership filed return:

**F** Partner's share of liabilities (see instructions):

Nonrecourse . . . . . \$

Qualified nonrecourse financing . . . . . \$

Other . . . . . \$

**G** Tax shelter registration number . ▶

**H** Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) . . . . . ☐

**I** Check applicable boxes: (1) ☐ Final K-1 (2) ☐ Amended K-1

**J Analysis of partner's capital account:**

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
			( )	

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Income (Loss)	<b>1</b> Ordinary income (loss) from trade or business activities . . . . .	<b>1</b>	See page 6 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>2</b> Net income (loss) from rental real estate activities . . . . .	<b>2</b>	
	<b>3</b> Net income (loss) from other rental activities . . . . .	<b>3</b>	
	<b>4</b> Portfolio income (loss):		Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col. (f)  Sch. D, line 12, col. (g) Sch. D, line 12, col. (f) Enter on applicable line of your return.
	<b>a</b> Interest . . . . .	<b>4a</b>	
	<b>b</b> Ordinary dividends . . . . .	<b>4b</b>	
	<b>c</b> Royalties . . . . .	<b>4c</b>	
	<b>d</b> Net short-term capital gain (loss) . . . . .	<b>4d</b>	
	<b>e</b> Net long-term capital gain (loss):		
	<b>(1)</b> 28% rate gain (loss) . . . . .	<b>e(1)</b>	
	<b>(2)</b> Total for year. . . . .	<b>e(2)</b>	
	<b>f</b> Other portfolio income (loss) (attach schedule) . . . . .	<b>4f</b>	See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Enter on applicable line of your return.
	<b>5</b> Guaranteed payments to partner . . . . .	<b>5</b>	
	<b>6</b> Net section 1231 gain (loss) (other than due to casualty or theft) . . . . .	<b>6</b>	
Deductions	<b>7</b> Other income (loss) (attach schedule) . . . . .	<b>7</b>	
	<b>8</b> Charitable contributions (see instructions) (attach schedule) . . . . .	<b>8</b>	Sch. A, line 15 or 16  See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>9</b> Section 179 expense deduction . . . . .	<b>9</b>	
	<b>10</b> Deductions related to portfolio income (attach schedule) . . . . .	<b>10</b>	
	<b>11</b> Other deductions (attach schedule) . . . . .	<b>11</b>	
Credits	<b>12a</b> Low-income housing credit:		Form 8586, line 5
	<b>(1)</b> From section 42(j)(5) partnerships for property placed in service before 1990 . . . . .	<b>a(1)</b>	
	<b>(2)</b> Other than on line 12a(1) for property placed in service before 1990 . . . . .	<b>a(2)</b>	
	<b>(3)</b> From section 42(j)(5) partnerships for property placed in service after 1989 . . . . .	<b>a(3)</b>	
	<b>(4)</b> Other than on line 12a(3) for property placed in service after 1989 . . . . .	<b>a(4)</b>	
	<b>b</b> Qualified rehabilitation expenditures related to rental real estate activities . . . . .	<b>12b</b>	See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>c</b> Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities . . . . .	<b>12c</b>	
	<b>d</b> Credits related to other rental activities . . . . .	<b>12d</b>	
	<b>13</b> Other credits . . . . .	<b>13</b>	



(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<b>Investment Interest</b>	<b>14a</b> Interest expense on investment debts . . . . .	<b>14a</b>	Form 4952, line 1 } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>b (1)</b> Investment income included on lines 4a, 4b, 4c, and 4f . . . . .	<b>b(1)</b>	
	<b>(2)</b> Investment expenses included on line 10 . . . . .	<b>b(2)</b>	
<b>Self-employment</b>	<b>15a</b> Net earnings (loss) from self-employment . . . . .	<b>15a</b>	Sch. SE, Section A or B } See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>b</b> Gross farming or fishing income . . . . .	<b>15b</b>	
	<b>c</b> Gross nonfarm income . . . . .	<b>15c</b>	
<b>Adjustments and Tax Preference Items</b>	<b>16a</b> Depreciation adjustment on property placed in service after 1986 . . . . .	<b>16a</b>	} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	<b>b</b> Adjusted gain or loss . . . . .	<b>16b</b>	
	<b>c</b> Depletion (other than oil and gas) . . . . .	<b>16c</b>	
	<b>d (1)</b> Gross income from oil, gas, and geothermal properties . . . . .	<b>d(1)</b>	
	<b>(2)</b> Deductions allocable to oil, gas, and geothermal properties . . . . .	<b>d(2)</b>	
	<b>e</b> Other adjustments and tax preference items ( <i>attach schedule</i> ) . . . . .	<b>16e</b>	
<b>Foreign Taxes</b>	<b>17a</b> Type of income ▶ . . . . .		Form 1116, check boxes
	<b>b</b> Name of foreign country or possession ▶ . . . . .		
	<b>c</b> Total gross income from sources outside the United States ( <i>attach schedule</i> ) . . . . .	<b>17c</b>	} Form 1116, Part I
	<b>d</b> Total applicable deductions and losses ( <i>attach schedule</i> ) . . . . .	<b>17d</b>	
	<b>e</b> Total foreign taxes (check one): ▶ <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	<b>17e</b>	Form 1116, Part II
	<b>f</b> Reduction in taxes available for credit ( <i>attach schedule</i> ) . . . . .	<b>17f</b>	Form 1116, Part III
	<b>g</b> Other foreign tax information ( <i>attach schedule</i> ) . . . . .	<b>17g</b>	See Instructions for Form 1116.
<b>Other</b>	<b>18</b> Section 59(e)(2) expenditures: <b>a</b> Type ▶ . . . . .		} See page 9 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>b</b> Amount . . . . .	<b>18b</b>	
	<b>19</b> Tax-exempt interest income . . . . .	<b>19</b>	Form 1040, line 8b
	<b>20</b> Other tax-exempt income . . . . .	<b>20</b>	} See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065).
	<b>21</b> Nondeductible expenses . . . . .	<b>21</b>	
	<b>22</b> Distributions of money (cash and marketable securities) . . . . .	<b>22</b>	
	<b>23</b> Distributions of property other than money . . . . .	<b>23</b>	} Form 8611, line 8
	<b>24</b> Recapture of low-income housing credit:		
<b>a</b> From section 42(j)(5) partnerships . . . . .	<b>24a</b>		
<b>b</b> Other than on line 24a . . . . .	<b>24b</b>		
<b>Supplemental Information</b>	<b>25</b> Supplemental information required to be reported separately to each partner ( <i>attach additional schedules if more space is needed</i> ):		



**SCHEDULE M  
(Form 5471)**(Rev. January 1999)  
Department of the Treasury  
Internal Revenue Service**Transactions Between Controlled Foreign Corporation  
and Shareholders or Other Related Persons**

OMB No. 1545-0704

► Attach to Form 5471.

Name of person filing Form 5471

Identifying number

Name of foreign corporation

**Important:** Complete a separate Schedule M for each controlled foreign corporation. Enter the totals (in U.S. dollars) for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). Translate all amounts from functional currency to U.S. dollars using the appropriate exchange rate for the tax year of the foreign corporation. See page 9 of the instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ►

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory). . . . .					
2 Sales of property rights (patents, trademarks, etc.) . .					
3 Compensation received for technical, managerial, engineering, construction, or like services. .					
4 Commissions received . . .					
5 Rents, royalties, and license fees received . . . . .					
6 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income) . .					
7 Interest received . . . . .					
8 Premiums received for insurance or reinsurance . . . .					
9 Add lines 1 through 8 . . .					
10 Purchases of stock in trade (inventory). . . . .					
11 Purchases of tangible property other than stock in trade . .					
12 Purchases of property rights (patents, trademarks, etc.) . .					
13 Compensation paid for technical, managerial, engineering, construction, or like services .					
14 Commissions paid . . . . .					
15 Rents, royalties, and license fees paid . . . . .					
16 Dividends paid . . . . .					
17 Interest paid . . . . .					
18 Add lines 10 through 17 . .					
19 Amounts borrowed (enter the maximum loan balance during the year) — see instructions .					
20 Amounts loaned (enter the maximum loan balance during the year) — see instructions .					



**SCHEDULE N  
(Form 5471)**

(Rev. January 1999)

Department of the Treasury  
Internal Revenue Service**Return of Officers, Directors, and 10% or More  
Shareholders of a Foreign Personal Holding Company**

OMB No. 1545-0704

▶ Attach to Form 5471.

Name of person filing Form 5471

Identifying number

Name of foreign corporation

**Important:** All amounts must be stated in U.S. dollars translated from functional currency. See page 10 of the instructions for the relevant exchange rate.

Enter the relevant functional currency and the exchange rate used throughout this schedule ▶

**Part I Shareholder Information****Section A—Outstanding Securities Convertible Into Stock of the Corporation or Options Granted by the Corporation**

Description of securities (attach a complete, detailed statement of conversion privileges)	Interest rate (%)	Face value	
		Beginning of year	End of year

**Section B—List of Holders of Convertible Securities or Options Granted by the Corporation**

Name and address of each holder of convertible securities or options (designate nonresident aliens)	Class of securities	Securities held				Explanation and date of any change in holdings of securities during the year
		Beginning of year		End of year		
		Number	Face value	Number	Face value	

**Part II Income Information****Section A—Computation of Undistributed Foreign Personal Holding Company Income**

<b>1</b>	Gross income as defined in section 555 (attach schedule) . . . . .	<b>1</b>	
<b>2</b>	Deductions allowable under section 161 (attach schedule) . . . . .	<b>2</b>	
<b>3</b>	Taxable income or (loss) (subtract line 2 from line 1) . . . . .	<b>3</b>	
<b>4</b>	Adjustments to taxable income or (loss) (see instructions):		
<b>a</b>	Taxes (see instructions) . . . . .	<b>4a</b>	
<b>b</b>	Charitable contributions . . . . .	<b>4b</b>	
<b>c</b>	Special deductions disallowed . . . . .	<b>4c</b>	
<b>d</b>	Net operating loss . . . . .	<b>4d</b>	
<b>e</b>	Expenses and depreciation applicable to property of the taxpayer . . . . .	<b>4e</b>	
<b>f</b>	Taxes and contributions to pension trusts . . . . .	<b>4f</b>	
<b>g</b>	Total adjustments (combine lines 4a through 4f) . . . . .	<b>4g</b>	
<b>5</b>	Combine line 3 and line 4g . . . . .	<b>5</b>	
<b>6</b>	Deduction for dividends paid during the tax year. Enter the amount from Section B, line 12	<b>6</b>	
<b>7</b>	Subtract line 6 from line 5 . . . . .	<b>7</b>	
<b>8</b>	Deduction allowed under section 563(c) for dividends paid after close of tax year (see instructions). Attach designation required by Rev. Proc. 90-26, 1990-1 C.B. 512 . . . . .	<b>8</b>	
<b>9</b>	Undistributed foreign personal holding company income (subtract line 8 from line 7) . . .	<b>9</b>	

**Section B—Deduction for Dividends Paid During Tax Year (see instructions)**

<b>10</b>	Taxable dividends paid during tax year:	Date paid	Amount
<b>a</b>	Cash . . . . .		<b>10a</b>
<b>b</b>	Property other than cash or the corporation's own securities (indicate nature of property) . . . . .		<b>10b</b>
<b>c</b>	Obligations of the corporation (bonds, notes, scrip, etc.) . . . . .		<b>10c</b>
<b>11</b>	Consent dividends (attach schedule) . . . . .		<b>11</b>
<b>12</b>	Deduction for dividends paid during tax year (add lines 10a through 11). Enter here and on line 6 above		<b>12</b>



**SCHEDULE O  
(Form 5471)**

(Rev. January 1999)

Department of the Treasury  
Internal Revenue Service**Organization or Reorganization of Foreign  
Corporation, and Acquisitions and  
Dispositions of its Stock**

OMB No. 1545-0704

▶ Attach to Form 5471.

Name of person filing Form 5471

Identifying number

Name of foreign corporation

**Important:** Complete a *separate* Schedule O for each foreign corporation for which information must be reported.**Part I To Be Completed by U.S. Officers and Directors** (See instructions.)

(a) Name of shareholder for whom acquisition information is reported	(b) Address of shareholder	(c) Identifying number of shareholder	(d) Date of original 10% acquisition	(e) Date of additional 10% acquisition

**Part II To Be Completed by U.S. Shareholders****Note:** If this return is required because one or more shareholders became U.S. persons, attach a list showing the names of such persons and the date each became a U.S. person.**Section A—General Shareholder Information**

(a) Name, address, and identifying number of shareholder(s) filing this schedule	(b) For shareholder's latest U.S. income tax return filed, indicate:			(c) Date (if any) shareholder last filed information return under section 6046 for the foreign corporation
	(1) Type of return (enter form number)	(2) Date return filed	(3) Internal Revenue Service Center where filed	

**Section B—U.S. Persons Who Are Officers or Directors of the Foreign Corporation**

(a) Name of U.S. officer or director	(b) Address	(c) Social security number	(d) Check appropriate box(es)	
			Officer	Director

**Section C—Acquisition of Stock**

(a) Name of shareholder(s) filing this schedule	(b) Class of stock acquired	(c) Date of acquisition	(d) Method of acquisition	(e) Number of shares acquired		
				(1) Directly	(2) Indirectly	(3) Constructively

(f) Amount paid or value given	(g) Name and address of person from whom shares were acquired

**Section D—Disposition of Stock**

(a) Name of shareholder disposing of stock	(b) Class of stock	(c) Date of disposition	(d) Method of disposition	(e) Number of shares disposed of		
				(1) Directly	(2) Indirectly	(3) Constructively

(f) Amount received	(g) Name and address of person to whom disposition of stock was made

**Section E—Organization or Reorganization of Foreign Corporation**

(a) Name and address of transferor		(b) Identifying number (if any)	(c) Date of transfer

(d) Assets transferred to foreign corporation			(e) Description of assets transferred by, or notes or securities issued by, foreign corporation
(1) Description of assets	(2) Fair market value	(3) Adjusted basis (if transferor was U.S. person)	

**Section F—Additional Information**

**(a)** If the foreign corporation or a predecessor U.S. corporation filed (or joined with a consolidated group in filing) a U.S. income tax return for any of the last 3 years, attach a statement indicating the year for which a return was filed (and, if applicable, the name of the corporation filing the consolidated return), the taxable income or loss, and the U.S. income tax paid (after all credits).

**(b)** List the date of any reorganization of the foreign corporation that occurred during the last 4 years while any U.S. person held 10% or more in value or vote (5% or more in value for transactions that occurred prior to January 1, 1998) (directly or indirectly) of the corporation's stock ►

**(c)** If the foreign corporation is a member of a group that make up a chain of ownership, attach a chart, for each unit of which a shareholder owns 10% or more in value or vote (5% or more in value for transactions that occurred prior to January 1, 1998) of the outstanding stock. The chart must indicate the corporation's position in the chain of ownership and the percentages of stock ownership (see page 12 of the instructions for an example).

